

Message Text

CONFIDENTIAL

PAGE 01 STATE 012655

45

ORIGIN EB-11

INFO OCT-01 EA-11 ISO-00 SSO-00 PM-07 NSC-10 SPC-03 SS-20

RSC-01 NSCE-00 CIAE-00 INR-10 NSAE-00 INRE-00 L-03

DODE-00 MC-02 COME-00 TRSE-00 (ISO) R

DRAFTED BY EA/PRCM:PLINCOLN,JR/EB/ISM:WPOLIK

APPROVED BY EB/ISM:MJDUX

EA/PRCM:OVARMSMSTRONG

EB/ICD-JJINGERSOLL (SUBS)

----- 038749

O R 191905Z JAN 74

FM SECSTATE WASHDC

TO USLO PEKING IMMEDIATE

INFO AMCONSUL HONG KONG

C O N F I D E N T I A L STATE 012655

E.O. 11652: GDS

TAGS: EIND, ETRD, CH

SUBJECT: US FERROUS SCRAP EXPORTS TO PRC

REF: PEKING 109.

1. IF "BUSINESS MATTER" CONCERNS US FERROUS SCRAP POLICY IN GENERAL OR CONTINGENCY RESERVE ALLOCATION, YOU SHOULD SIMPLY TAKE NOTE OF MINMETALS PRESENTATION AND INDICATE YOU WILL REPORT BACK TO WASHINGTON. IF APPROPRIATE, YOU COULD ASK FOR FIGURES ON LIKELY REQUIREMENTS FOR FIRST QUARTER OF 74 AND REMAINDER OF YEAR, AND ANY OTHER INFORMATION THAT WILL HELP CLARIFY THE SITUATION.

2. FYI FINAL DECISION ON CONTINGENCY RESERVE ALLOCATION HAS NOT YET BEEN MADE. DELAY IS PARTLY DUE TO DISCOVERY OF LARGE YEAREND CARRYOVER OF FERROUS SCRAP EXPORTS LICENSED IN 1973 BUT NOT SHIPPED. THIS APPLIES TO A NUMBER OF COUNTRIES INCLUDING PRC. BASED ON 1973 LICENSES ISSUED FOR PRC SHIPMENTS AND JULY-NOVEMBER 1973 MONTHLY EXPORTS (WHICH RANGED
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 STATE 012655

BETWEEN 63-67,000 TONS PER MONTH DURING JULY-SEPT; AND

BETWEEN 42-46,000 DURING OCT-NOV), WE CURRENTLY BELIEVE THAT PRC CARRYOVER (WHICH MAY BE ON AN ORDER OF 240,000 TONS) MAY WELL BE SUFFICIENT TO FILL PRC NEEDS FOR FIRST QUARTER, OR AT LEAST BE ALL THAT CONGESTED CHINESE PORTS CAN HANDLE. WE ARE CONSIDERING CALLING IN PRCLO OFFICER LATER THIS WEEK TO DISCUSS FERROUS SCRAP. PURPOSE WOULD BE TO (A) REVIEW US

SCRAP POLICY, RATIONALE, AND CONTROL REGULATIONS IN ORDER

TO MAKE SURE CHINESE HAVE ACCURATE UNDERSTANDING; (B) REVIEW FIGURES ON US-PRC SCRAP EXPORT RECORD AND OUTSTANDING CONTRACTS AND ASK WHETHER THIS IS CONSISTENT WITH THEIR UNDERSTANDING OF THE SITUATION; (C) INDICATE WE ARE AWARE OF THE PROBLEM OF NEW FOREIGN BUYERS (THE CONTINGENCY RESERVE ALLOCATION IS A SPECIFIC RECOGNITION OF THIS) AND, WITHOUT MAKING ANY COMMITMENTS, IMPLY THAT SOME RELIEF MAY BE POSSIBLE. END FYI

3. WOULD APPRECIATE SOONEST USLO REPORT ON JAN 21 MEETING, TOGETHER WITH ANY VIEWS YOU MA* HAVE. RUSH

*

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: EXPORTS, IRON, METALS, STOCKPILE DISPOSAL, FERROALLOYS
Control Number: n/a
Copy: SINGLE
Draft Date: 19 JAN 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: golinofr
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974STATE012655
Document Source: CORE
Document Unique ID: 00
Drafter: PLINCOLN,JR/EB/ISM:WPOLIK
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: n/a
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740129/aaaabmv.tel
Line Count: 80
Locator: TEXT ON-LINE
Office: ORIGIN EB
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: PEKING 109.
Review Action: RELEASED, APPROVED
Review Authority: golinofr
Review Comment: n/a
Review Content Flags:
Review Date: 10 JUL 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <10 JUL 2002 by rowelle0>; APPROVED <26 DEC 2002 by golinofr>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: US FERROUS SCRAP EXPORTS TO PRC
TAGS: EIND, ETRD, CH, US
To: PEKING
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005